(a) whether Government have decided to bring to some changes in labour laws for the units set up in special economic zones;

(b) if so, what are these changes and what is the need to bring these changes; and

(c) whether Government have consulted the labour laws experts in this regard?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) and (c) Do not arise.

Setting up of Special Economic Zones

3075. SHRI GAYA SINGH :

SHRI J. CHITHARANJAN :

SHRI P. PRABHAKAR REDDY :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Government have decided to set up Special Economic Zones (SEZs) as has been mentioned in the new Exim Policy for the year 2000-2001;

(b) if so, the details thereof and the concessions proposed to be offered to the units in these zones; and

(c) by when these zones are proposed to be operationalised?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. In the Export and Import Policy (1997—2002) incorporating amendments made upto 31st March, 2000, the Government has announced a Policy for setting up of Special Economic Zones (SEZs) in the country.

(b) The units in the SEZs will be a net foreign exchange earner but they shall not be subjected to any pre-determined value addition or minimum export performance. The entitlements to units in SEZs include exemption from Customs/Excise duty on capital goods, raw materials, etc., reimbursement in Central Sales Tax paid on purchases from outside the State, 100% foreign equity participation and an upgraded infrastructure.

(c) There is no proposal to set up any new SEZ by the Central Government. However, some of the existing Export Processing Zones are proposed to be converted into SEZs. SEZs may be set up in the public, private, joint sector or by the State Governments. The Zones will become operational from the date notified by the Ministry of Commerce and Industry.

New Export-Import Policy

3076. SHRI GAYA SINGH :

SHRI J. CHITHARANJAN :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a new Export-Import Policy for 2000-2001 has been announced by Government;

(b) if so, the sailent features thereof;

(c) whether Government's attention has been drawn to the criticism from various quarters that the new policy will badly hit the small scale industries, agriculturists and pave the way for more dependence on foreign capital and adversely affect the balance of payment position; and

(d) if so, the details thereof and government's reaction thereto?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) In the revised EXIM Policy (RE-2000), 1997-2002 notified on 31-3-2000, Government has announced various measures to promote exports. These include setting up Special Economic Zones, rationalisation of existing export promotion schemes (EPCG and Duty Exemption/Remission Scheme), encouragement to export of quality/branded goods, procedural simplifications, de-centralisation in decision making and reduction of interface between exporters and Government organisations through the facility of electronic filing of applications at several port offices.

(c) and (d) There has been some criticism of the Policy primarily on account of withdrawal of quantitative restrictions. However, Government feels that the doubts and apprehensions against the decision to withdraw Quantitative Restrictions (QRs) in respect of certain items, are exaggerated and not well founded. The Customs duties on most of the items for which QRs have been removed, have already been raised to the peak level of 35%. Moreover, in the event of any unfair trade practice adopted by exporters from other countries or